

Harbor Pointe HOA Board of Directors Meeting Minutes: September 19, 2022

Due to Covid-19 restrictions and concerns, HOA Board Meetings are being held by ZOOM.

President Jim Carmany called September's HOA Board meeting to order at 6:00p. Other Board Members present: Gary Rafool, Anne Dickison, Isaac Imig, Greg Smith, Denny Klein, and Mike Kiernan. Core3 Property Manager Mike Mayer was absent. Three additional homeowners participated in this Zoom.

Approval of Prior Minutes:

President Carmany asked for any corrections to the August HOA Meeting Minutes, but none were offered. Gary Rafool made a motion to accept the Minutes as written, Mike Kiernan seconded, and all approved.

Property Manager's Report:

Prior to tonight's meeting, Mike Mayer sent the Board his HOA Property Manager's Report which was then expanded upon by Jim Carmany.

Harbor Pointe HOA September 19, 2022 Core 3 Recap – Michael Mayer

- Accounts Receivable – No delinquencies
- Accounts Payable – Current
- Projects - The residual wrought iron fence painting project was completed by Core3.
- Core3 distributed Harbor Pointe's "social events" calendar generated by Sherry Semonis. The first event coming up is a BYOB social hour (2:00p to whenever) this Sunday 9/25 at Tom and Emily Zaia's (#312). Bring your favorite wine, wine glass and an appetizer to share. Table service will be provided.
- #418 was sold to returning residents Bill and Lynne Cummins. Core3's packet of "welcome" information was received and the verification of its receipt was returned.

Treasurer's Report:

In advance of tonight's ZOOM meeting, Treasurer Greg Smith e-mailed Board members the August Financials.

Long Term Reserves

Our Reserves started out this new 2022 budget year at **\$53,202**. The balance increases each month through earned interest and the planned monthly transfers of **\$7100** (from HOA dues income) from *Operations* to *Reserves*. As of the end of August, the Reserves Balance was **\$102,770**. Though growing, this balance is low and needs to be built up.

Operations

The *Operations* checking account has **\$61,144** in it, down from **\$75,541** in July which was also down slightly from June's balance of **\$76,779**. A decrease in operating income is expected at this time of year.

The *Operations Checking Account Total* is summed from three sources:

- 1) Prior years brought forward (retained) from 2021: **\$46,078**. This "*Prior Retained Earnings*" number remains constant all year.
- 2) Pre-payment of dues: **\$16,360**.
- 3) Net (Income Minus Expenses) August Year-To-Date: **minus \$1,293**. [*Calculated Retained Earnings for 2022*]

Treasurer's Notes:

*Income from HOA dues is on budget.

*The annual operating budget shows the operating income in line with the 2022 budget (under budget by **\$515**, but that is insignificant in a **\$208,044** annual budget).

*Variances were detailed in the spreadsheet provided to the Board by Greg. Increased are electricity, the new website management, and the price of asphalt.

*With three more months to go in FY 2022, additional expenses will come in, but the end result is projected to come in close to the budgeted figures.

*Jim Carmany noted that our approved 2022 Maintenance budget still had about \$13,000 in it which was committed, if our funds at this time of the fiscal year were considered adequate, to the low-pressure power-washing of the 300 and 400 Buildings like we did in 2021 for the 100s and 200s.

*Jim and Greg met to talk about the HOA's proposed Budget for 2023. With inflation, increasing operational expenses, and concerns about rebuilding the *Reserves*, we needed to decide what to do about the HOA dues. Proposed budgets were made with and without a dues increase. After the first version of the proposed 2023 Budget came out, additional reductions were suggested by some of the Directors in order to keep the operating budget in line to avoid a dues increase. The HOA had gone two years without any dues increases, but another year of no increases might hurt us in the long term. In the revised version subsequently circulated to the Board, after suggested offsetting reductions were incorporated, an increased 1% could be included in the monthly transfers from *Operations* to *Reserves*. This 1% (raising the monthly dues transfer from **\$7100** in 2022 to **\$7171** in 2023) falls short of the previously projected 2% increase in *Reserves* income needed per year in order to meet projected capital expenditures as durable items reached their life expectancies, but it improves *Reserves* growth at a time it is needed, the economy is unstable, and earned interest rates are still quite low.

Proposed HOA Budget for 2023:

As set forth in Version 2 proposing no increase in homeowner dues but a 1% increase in the monthly transfer of dues from *Operations* to *Reserves*, the Operational Budget would remain the same in 2023 as it was in 2022: **\$122,292**. Figures for many line items remained unchanged. Increased budgeted expenses in 2023 included Internet Web Hosting (**\$144 to \$360 – 150%**); Electricity (**\$3960 to \$7200 – 81.82%**); Pest Control (**\$4000 to \$4270 – 6.75%**); Landscaping Subcontractors (**\$40,698 to \$42,686 – 4.88%**); and Insurance (**\$13,000 to \$14,306 – 10.05%**). Reduced funding during this upcoming year included: Legal and Tax accounting (**\$3000 to \$1,128 – minus 62.40%**); Landscaping & Grounds (**\$9500 to \$5000 – minus 47.37%**); and Landscaping – Trees & Shrubs (**\$3,500 to \$2,500 – minus 28.57%**). The proposed 1% increase in dues transfer from *Operations* to *Reserves* would take the annual *Reserves* income from **\$85,200 to \$86,052**.

Treasurer Greg Smith made a motion for the Board to accept the proposed draft Budget 2023 to circulate to the homeowners for study and commentary before the next HOA Meeting October 17. Gary Rafool seconded the motion, and all approved.

Greg Smith moved to accept the Treasurer's Report, Gary Rafool seconded it, and it passed unanimously.

Parliamentarian's Report:

Gary Rafool, expecting to miss the September meeting, requested that his prepared and emailed report be included in the Minutes verbatim:

"Within the Minutes of our August Board meeting, our Board Secretary provided a link to our Harbor Pointe web site, which, under the Public Documents heading, had a drop down containing our Rules and Regulations, as updated on September 6, 2017.

"Rule 2(a) of these Rules provides, in part, that no items shall sit on or hang on deck railings, and I bring this up since I have noticed while walking occasionally along Mariners' Way that a few of our units have items either sitting on deck rails, or, what appears to be, hanging over the deck rails.

"In addition, Rules 7(b) and (c) of those Rules provide that although signs for health or safety as issued by a Governmental body such as for a hearing-impaired occupant are allowed outside a unit, no unit owner shall display, hang, store or use any sign outside his/her/their unit, or inside the unit where clearly visible from the outside. I mention this as well, because I have also noticed while walking along our Harbor Pointe Road a sign that is commercially, and not Governmentally, issued, similar, in my opinion, to one of those old 'beware of dog signs' we used to sometimes see on fences.

"While these few situations appear to be noticeably contrary to our present Rules, I do not recommend any Board or Property Manager enforcement action at this time, because from the looks of our complex as a whole, and because, in addition to our very attractive and well-maintained grasses, trees and landscaping, our owners appear to take great pride in our appearance and being in compliance with our Rules. Consequently, it is hoped that the few items pointed out above will be taken care of directly by the owners involved on their own once they realize that they are contrary to our Rules."

Unfortunately, Gary's travel plans changed at the last minute so he was able to attend today's meeting after all. He read his prepared statement and repeated his request that it be included in the Minutes as it stood.

Jim Carmany added that Core3 had already sent out a number of reminder letters to owners about positioning things on deck railings in violation of our adopted Rules, and that the notified owners all seemingly responded quickly to remove them.

Landscaping Report:

Mike Kiernan reported that he had received a bid from King Trees to remove the **dying ash tree** across from Unit #200 and adjacent to the freestanding garages, and that he would seek a bid from at least one additional provider before committing to the tree's removal this fall. Planting a new tree at this site is probably not feasible. The area of soil the diseased ash tree is in is, relatively speaking, quite small. Additionally, the area is prone to the accumulation of water so the adjacent freestanding garages are vulnerable to ground seepage.

Mike and Isaac reported that again this year they will be providing and setting out 15-20 lovely big pumpkins to serve as seasonal decorations around Harbor Pointe.

Building Report:

No report.

Community Relations:

Jim Carmany noted that the City of East Peoria will hold its Annual Fall Cleanup (Monday) October 3 through (Friday) October 7. Qualified Bulk Items can be taken out to the curb the same day that regular trash is picked up. Bulk items will be picked up by a separate truck the same day or on the following day. Specifications for what does or does not qualify for the annual Bulk Pickup can be found on the City of East Peoria's website.

Old Business:

Summary of e-mail motions and votes since our last HOA Board Meeting: Over the past two years but especially last summer, as more and more discussions, HOA business discussions, and decisions were taking place by e-mail, it became apparent that the HOA Minutes might not be adequately capturing or reflecting the necessary discussions or documentation. The Board resolved to report in the Minutes all motions and votes taking place by email in the period of time following the prior meeting.

Subsequent to the August 2022 meeting, the Board discussed and voted on only one issue.

The owners of unit 214 submitted a Change Order to have TSR coating applied to their back patio. #214's patio was painted grey years ago and is peeling badly, so after talking to unit 306, the owners would also like TSR to prepare and coat their back patio at the same time. **Jim Carmany made a motion to expediently approve Unit #214's Change Order, with all the same conditions including the same Pebble Beach color selection that we previously approved for Unit #306.** All Directors voted to approve the motion.

Roads: The next section of our main Harbor Point Drive to be resurfaced is the stretch between where we left off around Unit 400 in 2021, going to the end of the 500 mailboxes. Our road resurfacing work for 2022 was pushed back towards the end of September because schools and other qualifying businesses were rushing to spend their Federal grant dollars on capital improvements before the conclusion of the government's current Fiscal Year on September 30th, and uncertainty about the availability of asphalt. In the interim, our most serious potholes will be patched independently to try to contain and prevent damages.

Wrought iron perimeter fence around Harbor Pointe: Unfortunately, in 2021, Core3's painting of the wrought iron fence required much more time than anticipated. Core3 completed painting the remainder of the fence this fall, plus went back and did some touch-ups. Painting this year was accomplished far more efficiently and therefore cost much less than the higher-than-anticipated number of labor hours resulting in the over-budget fence maintenance expenses of 2021. In general, however, last year's painting held up quite well, much better than the fence-painting that preceded it, and the same set of materials were used again this year. Hopefully, the perimeter wrought iron fence won't need painting again until we are much further along in our next cycle of budgeted capital improvement projects.

Front gate damage and repair: This spring, Oberlander Electric completed repairing the front gate, and has been paid in full. Initially they removed the existing control box and stored it so it would not be damaged during the needed repairs. The damaged concrete footings were pulled out and replaced. The HOA paid the \$1000 deductible, and our Insurance paid the remainder of the bill. We still do not know who ran into the gate and failed to report the incident. Unfortunately, our newly repaired gate suffered another incident last month, but this one was immediately recognized and addressed internally. Jim Carmany thanked Harbor Pointe homeowner and Board Member Denny Klein for using his expertise and equipment to straighten out the front gate's bent bars and tilted gate poles. The gate looks great and is opening and closing properly. Rail-lighting cords attached to the gate arms are still not fully restored, so

this led to a short discussion about the value of these gate lights, how often they should be replaced, and if there were any other options.

Dryer vents: Meinder's Duct Company with the help of Massey Roofing completed the cleaning of all dryer vents in the 300s and 400s except for one unit whose owner was not present. All dryer vents except for those in the 200s have now been cleaned in the last two years. The 200s will be done in 2023. Some of the dryer vents were extremely clogged up, and tons of lint were removed. It was also discovered that several of the vents were not patent at all and probably hadn't been for years. As no two units have the same venting routes, some of the exiting paths will clog faster than others. Keeping the vents clear is really important and is our best protection against one of the most common causes of home fires. The HOA's community-wide organization and scheduling of dryer vent cleaning seems to be paying off good dividends in safety and preventive maintenance, and is probably a practice we might want to continue in some fashion.

Low Pressure Washing: Last summer the HOA employed a pressure washing company that supplies its own water and equipment and uses low-pressure techniques to clean sidings, soffits, and trim. Jim Carmany obtained a bid that included the additional cleaning of adjacent free-standing garages and decking, plus the option for individual homeowners to arrange for high-pressure cleanings of their unit's patio and/or driveway at the owner's expense for \$50 per patio or driveway. To spread out the total cost of pressure-wash cleaning of all properties to more than just one single fiscal year, the plan was implemented to lock into the currently offered prices and arrangements, but commit to only two buildings for 2021 and adjust the scheduling of future washings as determined by budget, availability, and satisfaction with the 2021 trial washings. The Power Wash Company collected checks or cash for cleaning individual patios/driveways at the time of their services. This year, since our 2022 Maintenance budget appears to be in good shape for this time of year, Buildings 300 and 400 would be the next to be washed. Jim Carmany made a **motion to schedule the low-pressure power washing of Buildings 300 and 400, for an HOA cost to not exceed \$6000. This amount is to include the expenses of replacing sand that might have been washed out in low areas of a section of sidewalk to the pool or around other sidewalks in the designated vicinities washed.** Gary Rafool seconded the motion, and the motion was passed unanimously.

HOA Website: In July, MTCO, our website host and manager for www.harborpointehoa.com since 2013, notified Jim (retroactively) that they were getting out of the website hosting business as of June 1st, so we needed to find another provider. They recommended Facet Technologies in Peoria. Jim looked into website hosting options, and concluded that Facet Technologies seemed to be the most reasonably priced (\$29.95 per month versus others at \$34/month and \$49/month). Migrating our current website content and archives over to Facet Technologies could present an issue due to the very down level software that MTCO was using, but Facet would try to coordinate with MTCO to make the migration as seamless as possible. Jim reported that the migration was now completed. Secretary Anne Dickison confirmed that the August HOA Minutes, after an initial delay, were post-dated but successfully uploaded to the Resident's Section by Facet Technologies, but that she was still having difficulties signing on as a website Administrator from any of her newer computers. She was also concerned about whether or not the Photo Gallery had migrated with continued interactive capabilities since for the past two years she had been able to *delete* old Gallery photos but not *add* any new ones no matter how or in which manner they were resized. She also could not repost or rotate any of the original photos once they were deleted from the Gallery. Jim and Anne will meet soon to try to sort out these issues.

Street light pole painting: Last month, Prime Finish Painting was approved to paint two "trial" street light poles near our front entrance in 2022, then if all were satisfactory, and at the same negotiated price, complete the painting of remaining poles in 2023. Jim reported that some reluctance was expressed by the provider about the painting of just two poles this year, but that at the time of this meeting, Harbor Pointe was still on the provider's schedule.

New Business:

The topic of solar panels was again discussed and additional information was shared. There are many unknowns and more questions than answers. We do not yet know at this point in time if we are even good candidates in terms of our variety of building orientations and sun exposure. Jim Carmany is continuing these discussions with the City of East Peoria and with Legacy Solar in order to get the many questions answered.

Motion to Adjourn:

A motion to adjourn the September 2022 HOA Board of Directors meeting was made at 6:57p by Greg Smith, seconded by Mike Kiernan, and approved by all. The next ZOOM HOA Board meeting will take place on Monday, October 17, at **6:00p**. Core3 will send out the link. Tonight's approved draft Budget for 2023 is to be distributed to all homeowners this week, so discussions about, and in the absence of objections or modifications, potentially voting on the Budget for 2023 will be on the agenda.

Respectfully submitted,
Anne Dickison, Secretary